

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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**In re** : **Chapter 11 Case No.**  
**LEHMAN BROTHERS HOLDINGS INC., et al.** : **08-13555 (JMP)**  
**Debtors.** : **(Jointly Administered)**  
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**NOTICE OF REJECTION OF UNEXPIRED LEASE**

**PLEASE TAKE NOTICE** that, on October 3, 2008, the United States Bankruptcy Court of the Southern District of New York (the “Bankruptcy Court”) entered an order (the “Procedures Order”) in the above-referenced chapter 11 cases of Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors (collectively, the “Debtors”), among other things, approving expedited procedures (the “Rejection Procedures”) for the rejection of executory contracts and unexpired leases of the Debtors.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the terms of the Procedures Order, the Debtors hereby provide notice of their intent to reject the leases and/or contracts identified below. Pursuant to the terms of the Procedures Order, unless a written objection is filed and served in accordance with the terms of the Procedures Order, the following leases and/or contracts will be rejected pursuant to 11 U.S.C. § 365(a), and property relating to any such leases may be abandoned pursuant to 11 U.S.C. § 554(a), effective as of (a) the effective date otherwise set forth in this Notice or, if no such date is set forth for your lease or contract, (b) the date of this Rejection Notice (the “Rejection Date”).

**PLEASE TAKE FURTHER NOTICE** that any party in interest that objects to the proposed rejection of its contract or lease must file and serve a written objection so that such objection is filed with the Court and actually received by the following parties (the “Objection Notice Parties”) no later than ten (10) days after this notice of rejection was sent to the counterparty: (i) the attorneys for the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153-0119 (Attn: Michael P. Kessler, Robert J. Lemons and James T. Grogan); (ii) the U.S. Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Tracy Hope Davis); (iii) the attorneys for Barclays Capital, Inc., Cleary Gottlieb Steen & Hamilton LLP, One Liberty Plaza, New York NY 10006 (Attn: Lindsee P. Granfield and Lisa M. Schweitzer); (iv) the attorneys for the Creditors’ Committee, Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, NY 10005 (Attn: Dennis F. Dunne and Dennis C. O’Donnell); and (v) the attorneys for the SIPA Trustee, Hughes Hubbard & Reed LLP,

One Battery Park Plaza, New York, NY 10004 (Attn: James B. Kobak, David Wiltenburg, and Jeff Margolin).

**PLEASE TAKE FURTHER NOTICE** that, if a timely objection to this Notice is filed and received in accordance with the Procedures Order, the Debtors shall schedule a hearing on such objection and shall provide at least five (5) days' notice of such hearing to the objecting party and the Objection Notice Parties. If the Court ultimately upholds the Debtors' determination to reject the applicable lease or contract, then the applicable lease or contract shall be deemed rejected (a) as of the Rejection Date, or (b) as otherwise determined by the Court as set forth in any order overruling such objection.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the terms of the Procedures Order, for any claim that you may assert against the Debtors as a result of the rejection of any contract or lease, you must submit a proof of claim for damages arising from such rejection, if any, to Epiq Bankruptcy Solutions, LLC,<sup>1</sup> the Court-approved claims processing agent, on or before the later of (i) the deadline for filing proofs of claim established by the Court in the Debtors' cases or (ii) forty-five (45) days after the filing of this Notice. A proof of claim form is available at <http://chapter11.epiqsystems.com/lehman>. If you do not timely file such proof of claim, you shall be forever barred from asserting a claim for rejection damages arising from the rejection of the above-referenced Lease or Contract.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the terms of the Procedures Order, if the Debtors have deposited monies with a contract or lease counterparty as a security deposit or otherwise, the contract or lease counterparty may not setoff or otherwise use such deposit without the prior authorization of the Bankruptcy Court.

**PLEASE TAKE FURTHER NOTICE** that, the Debtors are authorized to remove any property from the premises that are the subject of any rejected lease, consistent with the Debtors' ownership rights or other property interests therein, personal property that the Debtors have installed in or about the leased premises (i.e., fixtures, furniture, equipment, and other property) that is either owned by the Debtors, leased by the Debtors from third parties, or subject to any equipment financing agreements with third parties. To the extent that the Debtors determine that any interest of the Debtors in property has little or no value or that the preservation thereof will be burdensome to their estates compared with the expense of removing and storing such property, the Debtors

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<sup>1</sup> Claims should be sent to the following addresses:

If by first-class mail: Lehman Brothers' Claims Processing, c/o Epiq Bankruptcy Solutions, LLC, FDR Station, P.O. Box 5076, New York, New York 10150-5076.

If by hand delivery or overnight mail: Epiq Bankruptcy Solutions, LLC, Attn: Lehman Brothers' Claims Processing, 757 Third Avenue, 3rd Floor, New York, New York 10017.

are authorized to abandon, in their sole discretion, such property remaining at the premises subject to a rejected lease as of the Rejection Date. Absent a timely objection filed in accordance with these Rejection Procedures, the property will be deemed abandoned pursuant to section 554 of the Bankruptcy Code as of the Rejection Date and, except as set forth above, the landlord(s) may dispose of such abandoned property without liability to any third party claiming an interest in such abandoned property.

**PLEASE TAKE FURTHER NOTICE** that, to the extent the Debtors have proposed to reject a lease of personal property pursuant to this Rejection Notice, a description of the leased property and the location of same are provided below, and the automatic stay shall be deemed modified to permit the respective personal property lessor to recover such leased property within ten (10) days of the Rejection Date (the “Collection Period”). If the lessor does not retrieve its property by the end of the Collection Period, the property shall be deemed abandoned without further order of this Court, free and clear of any interests, and the owner of the premises containing such property or its designee shall be free to dispose of same without liability to any party.

Dated: December 23, 2008  
New York, New York

/s/ Robert J. Lemons

Michael P. Kessler  
Robert J. Lemons

WEIL, GOTSHAL & MANGES LLP  
767 Fifth Avenue  
New York, New York 10153  
Telephone: (212) 310-8000  
Facsimile: (212) 310-8007

Attorneys for Debtors  
and Debtors in Possession

**REJECTED LEASE**

Address and/or Description of Subject Property	Lessor Name / Address	Effective Date of Rejection
<p>1301 Avenue of the Americas Entire 7<sup>th</sup> floor New York, NY 10019</p> <p>Sublease entered into as of March 30, 2007, with LBHI as Subtenant, The New York Mortgage Company LLC as the Original Subtenant and Assignor of the sublease, PricewaterhouseCoopers LLP as Sublandlord, and 1301 Properties Owner LLC as Landlord.</p>	<p>Landlord:</p> <p>1301 Properties Owners L.L.C. c/o Equity Office 527 Madison Avenue 5th Floor New York, NY 10022 Attention: Property Manager</p> <p>With a copy to:</p> <p>Equity Office Two North Riverside Plaza Suite 2100 Chicago, Illinois 60606 Attention: New York Regional Counsel</p> <p>Sublandlord:</p> <p>PricewaterhouseCoopers, LLP 3109 W. Martin Luther King, Jr. Boulevard Tampa, Florida 33607 Attention: Director of Real Estate</p> <p>With a copy to:</p> <p>Morgan, Lewis &amp; Bockius, LLP 101 Park Avenue New York, NY 1078 Attention: Bradley A. Kaufman, Esq.</p> <p>Notice parties for defaults:</p> <p>Lowenstein Sandler PC 1251 Avenue of the Americas New York, NY 10020 Attention: Bradley Kaufman, Esq.</p> <p>Tarter Krinsky &amp; Drogan LLP 470 Park Avenue South New York, NY 10016 Attention: Alan Tarter, Esq.</p>	

	<p>Original Subtenant and Assignor of Sublease: The New York Mortgage Company LLC c/o Business Filings Incorporated 187 Wolf Road Suite 101 Albany, New York 12205</p>	
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